



February 12, 2016

American Electric Power  
Attention: Sandra Nessing  
1 Riverside Plaza  
Columbus, OH 43215

Re: Withdrawal of the 2016 As You Sow Shareholder Proposal

Dear Ms. Nessing:

As You Sow greatly appreciates the constructive dialogue with American Electric Power (“AEP”) regarding its climate performance. Following As You Sow’s submission of the shareholder proposal for inclusion in the 2016 proxy statement, and subsequent discussions with the company, As You Sow and AEP have agreed to the following disclosures.

As You Sow agrees to withdraw the shareholder proposal, filed on behalf of shareholders Andrew Behar and Adelaide Gomer (“Proponents”), in recognition of the additional information AEP has agreed to provide to enhance disclosure on its carbon asset risk management, and in consideration of AEPs’ willingness to continue good-faith dialogues on this matter in the future. The terms of withdrawal are as follows:

1. **Withdrawal.** In exchange for AEP’s disclosures, As You Sow hereby agrees to withdraw the shareholder proposal, and agrees that such proposal shall not appear in the Company’s definitive proxy statement for its 2016 annual meeting.
2. **Company Actions.** AEP agrees to the following disclosure, which is intended to help provide investors and stakeholders with information about how AEP is managing its climate change related carbon asset risk:
  - a. Carbon asset risk—how AEP views, assess and manages carbon asset risk;
  - b. Clean Power Plan activities (working with states);
  - c. Coal fleet transition (publicly disclosed retirements, refuels beyond 2016), including discussion of resource planning, renewable strategy, fuel diversity, and reliability.
  - d. Grid modernization and evolving business model; what is happening today, what the future looks like, and how AEP is preparing for it (for example, changing grid dynamics).
  - e. Resource diversity, distributed energy resources, energy efficiency, demand response – trend analysis, business opportunities/challenges.
  - f. Data analytics – how data can help AEP learn more about what customers want and enable/empower them to manage consumption, and give them choices.
  - g. Technologies – investments in new/emerging technologies, partnerships.
  - h. Regulatory and legislative reforms to support the future grid – what’s needed.



AS YOU SOW

This agreement will become effective on the date the last party below executes this agreement.

**AS YOU SOW:**

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Danielle R. Fugere  
President and General Counsel  
As You Sow

2/12/16  
Date

**COMPANY:**

Sandra Nessing  
Managing Director, Corporate Sustainability  
American Electric Power

Feb. 11, 2016  
Date